BOB F. ANDERSON, PE, INC.

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March 1, 2001

Honorable Philip N. Asprodites, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APLICATION FOR PUBLIC HEARING

Proposed Alternate Unit Wells
Cotton Valley Formation, Reservoir A
Hosston Zone, Reservoir A
HOSS RA SU11, CV RA SU11, HOSS RA SU12, CV RA SU12,
HOSS RA SU13 and CV RA SU13
Elm Grove Field
Bossier Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of CAMTERRA RESOURCES, INC., (Applicant), to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Hosston Zone, Reservoir A, and the Cotton Valley Formation, Reservoir A, Elm Grove Field Bossier Parish, Louisiana:

FOR THE HOSS RA SU11:

1. To permit the applicant to drill, designate and utilize their Kincaide No.1 Well as an additional alternate unit well for the HOSS RA SU11 Well for the production of gas and condensate from the Hosston Zone, Reservoir A, such unit and well being shown on the attached plat and made a part hereof, in exception to the spacing provisions of the 361-A Series of Office of Conservation Orders.

FOR THE CV RA SU11:

1. To permit the applicant to drill, designate and utilize their proposed Kincaide No. 1 Well as an additional alternate unit well for the CV RA SU11 for the production of gas and condensate from the Cotton Valley Formation, Reservoir A, Elm Grove Field, Bossier Parish, Louisiana, such unit and well being shown on the attached plat and made a part hereof, in exception to the spacing provisions of the 361-B Series of Office of Conservation Orders.

FOR THE HOSS RA SU12:

1. To permit the applicant to drill, designate and utilize their Hilltop Acres No. 1 Well as an additional alternate unit well for the HOSS RA SU12 Well for the production of gas and condensate from the Hosston Zone, Reservoir A, such unit and well being shown on the attached plat and made a part hereof, in exception to the spacing provisions of the 361-A Series of Office of Conservation Orders.

FOR THE CV RA SU12:

1. To permit the applicant to drill, designate and utilize their proposed Hilltop Acres No. 1 Well as an additional alternate unit wells for the CV RA SU12 for the production of gas and condensate from the Cotton Valley Formation, Reservoir A, Elm Grove Field, Bossier Parish, Louisiana, such unit and well being shown on the attached plat and made a part hereof, in exception to the spacing provisions of the 361-B Series of Office of Conservation Orders.

FOR THE HOSS RA SU13:

1. To permit the applicant to drill, designate and utilize their proposed Dance No. 9 Well as an additional alternate unit well for the HOSS RA SU13 for the production of gas and condensate from the Hosston Zone, Reservoir A, Elm Grove Field, Bossier Parish, Louisiana, such unit and well being shown on the attached plat and made a part hereof, in exception to the spacing provisions of the 361-A Series of Office of Conservation Orders.

FOR THE CV RA SU13:

1. To permit the applicant to drill, designate and utilize their proposed Dance No. 9 Well as an alternate unit well for the CV RA SU13 for the production of gas and condensate from the Cotton Valley Formation, Reservoir A, Elm Grove Field, Bossier Parish, Louisiana, such unit and well being shown on the attached plat and made a part made a part hereof, in exception to the spacing provisions of the 361-B Series of Office of Conservation Orders.

FOR THE CV RA SU11, HOSS RA SU11, CV RA SU12, HOSS RA SU12, CV RA SU13 AND HOSS RA SU13:

1. To find that additional alternate unit wells are needed on each unit to assist in the efficient and effective drainage of the unit that cannot be drained by any other well located therein.

- 2. To permit the unit operator to produce the assigned unit allowable form the unit well, the alternate unit wells or from a combination thereof at its discretion.
- 3. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Bossier Parish, Louisiana, was defined in the 361-A Series of Office of Conservation Orders and created the units designated HOSS RA SU11, HOSS RA SU12 and HOSS RA SU13. The Cotton Valley Formation, Reservoir A, in Elm Grove Field, Bossier Parish, Louisiana, was defined in the 361-B Series of Office of Conservation Orders and created the units designated CV RA SU11, CV RA SU12 and CV RA SU13.

The pertinent data pertaining to this application is available for inspection at the Offices of B. F. Anderson, 400 Travis Street, Suite 209, Shreveport, Louisiana 71101-3110. Any person wishing to inspect such data should call B. F. Anderson at 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent, which is otherwise not available from the Office of Conservation, can be obtained at the expense of the requesting party.

The subject matter of this application does not require a pre-hearing conference.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

Our check, made payable to the Office of Conservation, is attached to cover the applicable hearing fee.

Yours very truly,

B. F. Anderson, PE for

-BF Cm

CAMTERRA RESOURCES, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation Interested Owners, Represented Parties and Interested Parties

